## Fiscal Estimate - 2013 Session

Original Upda	ated Corre	ected	Supplemental					
LRB Number 13-3177/1	Introducti	on Number 🛮 🗚	AB-0521					
<b>Description</b> Grants for hiring new employees and making an appropriation								
Fiscal Effect								
State:  No State Fiscal Effect Indeterminate Increase Existing Appropriations Decrease Existing Appropriations Increase Existing Appropriations Increase Existing Appropriations Increase Existing	☐Increase Existing Revenues ☐Decrease Existing Revenues		s - May be possible in agency's budget \textsquare No					
Local:  No Local Government Costs  Indeterminate  1. Increase Costs Permissive Mandatory  2. Decrease Costs Permissive Mandatory Permissive Mandatory Permissive Mandatory Permissive Mandatory Permissive Mandatory Districts Districts								
Fund Sources Affected  Affected Ch. 20 Appropriations  GPR FED PRO PRS SEG SEGS 20.192								
Agency/Prepared By	Authorized Signa	ture	Date					
WEDC/ Sam Berndt (608) 210-6803	Amy Young (608) 210-6711							

## Fiscal Estimate Narratives WEDC 12/9/2013

LRB Number	13-3177/1	Introduction Number	AB-0521	Estimate Type	Original		
Description							
Grants for hiring new employees and making an appropriation							

## **Assumptions Used in Arriving at Fiscal Estimate**

2013 Assembly Bill 521 requires WEDC to operate a new program and creates an appropriation in a sum sufficient amount to cover program incentive payments. The bill directs WEDC to provide grants to eligible small businesses (no more than 10 employees at time of application) for 6.27% of growth in payroll from one calendar quarter to the next, attributable to the increase in full-time employees. Businesses that receive a grant under this program may not receive a Jobs Tax Credit for the same activity. The funding for the program is capped at \$2,000,000.

## **Long-Range Fiscal Implications**

WEDC already has the authority to implement grant and loan programs, with approval from its board, including staffing the functional areas of promotion to business, underwriting, compliance, and finance. By requiring WEDC to administer the program specified in this bill, it will divert staff resources away from other existing programs to this meet new statutory requirement.